

ENTREPRENEURSHIP EDUCATION ON ENTREPRENEURIAL INTENTION OF FRESH GRADUATES: A STUDY OF NYSC ORIENTATION CAMP, UMUNYA

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Abstract

This study examined the influence of entrepreneurship education on entrepreneurial intention of fresh graduates of tertiary institutions in Nigeria. Four proxy independent variables – creativity, risk taking, opportunity recognition and innovation skill- and their impact on entrepreneurial intention were examined. Four research questions and hypotheses were formulated in line with the research objectives. Relevant literature was reviewed in line with the study. The survey method was used to generate data from a sample of three hundred and sixty one (361) National Youth Service Corps members who were deployed to Anambra State during the 2017/2018 service year. Data generated from the survey were analyzed using multiple regression technique in order to assess the level of performance as well as establish the significance of the relationship between the independent and dependent variables of the study. Four alternative hypotheses formulated for the study were accepted. The findings of this study indicate that entrepreneurship education influences the entrepreneurial intention in Nigerian graduates should be encouraged by exposing graduates to more practical aspects of business like risk taking, opportunity recognition and creativity.

1.0 INTRODUCTION

1.1 Background to the study

Entrepreneurship is the foundation of any capitalist economy and as such the growth and survival of any capitalist economy depends largely on the flourishing of entrepreneurial activities, therefore, the total process of economic development in Nigeria would be a function of the available viable entrepreneurs (Idemobi (2015). In the current decade, there is emphasis on entrepreneurship because it plays an important role in economic development, poverty reduction and employment generation through the stimulation of business activities, financial investment and innovation (Ayegba, and Omale, 2016; Okeke, Oboreh, and Okonkwo 2016).

Despite the importance of entrepreneurship in employment generation, Nigeria's unemployment rate has been on the increase. The National Bureau of Statistics (2016) observed that a total of 28.58million persons in the Nigerian labour force in 2016 were either unemployed or underemployed compared to 27.12million in Q3, 26.06million in Q2 and 24.5 million in Q1 of 2016. These figures show an upward trend of unemployment rate on quarterly basis.. More worrisome is the fact that graduates of higher institutions of learning including professionals are also affected by the increasing rate of unemployment in Nigeria (Bassey and Atan,2012).Based on the Global Entrepreneurship Monitor report for 2014, Nigerian youths see entrepreneurship as an attractive career option but many graduates are still on the job queue rather than becoming

entrepreneurs (Astuti and Martdianty, 2012; Global Entrepreneurship Monitor report for 2014 cited in Kolawole, 2015).

Entrepreneurship as a process or activity revolves around an individual acting singly or in conjunction with other persons. It is therefore necessary to examine whether there are basic factors or characteristics which can facilitate or precede his or her intention to become an entrepreneur. Based on the assumption that the skills and knowledge required to be an entrepreneur can be acquired through the educational system, entrepreneurship education has been adopted as one of the tools for self-empowerment, wealth creation and mitigating unemployment among young people (Okeke, Oboreh, and Okonkwo 2016). It is therefore also necessary to examine the extent to which it facilitates entrepreneurial intention among graduates.

One major research area is students' intentions for an entrepreneurial career. This is due to the fact that intention provides reasonable evidence of the outcome of an entrepreneurship training programme and because intentions are good predictors of future behaviour (Ajzen, 1991). Research on the extent to which entrepreneurial education and training **influences** an individual towards entrepreneurial activity or determine entrepreneurial intention has not been exhaustive. This was buttressed by Salihu (2016) when he observed that many graduates have acquired entrepreneurial knowledge and skills from tertiary institutions but studies have not shown the extent to which, this knowledge has helped them to venture in to new business as a means of livelihood. Nigerian graduates are exposed to compulsory entrepreneurship education yet many graduates remain unemployed several years after graduation. Why would graduates still be searching for jobs in the public and private sectors of the economy despite their exposure to entrepreneurship education and the availability of business opportunities in the economy? Nevertheless, it has been observed that one of the challenges facing Nigeria's education system is its failure to prepare graduates for self-employment (Agbim, Oriarewo and Owocho, 2013).

Entrepreneurship education is currently being implemented in all tertiary institutions in Nigeria, but the success of the programme would depend on the extent to which it stimulates students to acquire entrepreneurial mindset. Although several factors have been indicted for the increasing rate of graduate unemployment, much attention has not been devoted to how entrepreneurship education can stimulate entrepreneurial intention among university graduates in developing countries (Mahmoud and Muharam, 2014; Salihu, 2016). There is a need to fill this gap in research using Nigeria as a study area.

1.2 Statement of the Problem

One of the major challenges currently confronting Nigeria today is the high rate of unemployment among the youths especially graduates of higher institution of learning. The increasing rate of unemployment among Nigerian graduates implies that the objective of the compulsory entrepreneurship education which they were exposed to which in the university has not succeeded in ensuring the emergence of self-employed graduates as envisaged. Almost a decade after the introduction of entrepreneurship education in Nigerian universities, the upward trend in graduate/youths' unemployment has remained high. (Agbolahon, 2016, Aliyu, 2017). This implies that there is a gap between theory and practice with regards to entrepreneurship education and the development of entrepreneurial intentions. What factors could be responsible for the poor attitude of graduates towards self-employment and entrepreneurship? This pertinent question has motivated the researcher to carry out this study.

1.3 Objectives of the Study

The primary objective of this study is to examine the influence of entrepreneurship education on entrepreneurial intention of young Nigerian graduates. In specific terms, the study sought to achieve the following objectives:

1. To examine how creativity influence entrepreneurial intention.
2. To investigate how risk taking influences entrepreneurial intention.
3. To examine how opportunity recognition influences entrepreneurial intention.
4. To investigate how innovation skill influences entrepreneurial intention.

2.0 REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework

Entrepreneurship

Entrepreneurship refers to an individual's ability to turn into action. It includes creativity, innovation and risk taking, as well as the ability to plan and manage projects in order to achieve objectives. (Commission of the European Communities, 2008: 4). An entrepreneur can also be referred to as a creative individual who takes business risks and seeks profit by deploying human and material resources to provide goods and services in that regards. Therefore, an entrepreneur refers to an individual who constantly seeks for business opportunities either alone or in conjunction with others and mobilizes the human and material resources to take advantage of them in order to make profit. Therefore, entrepreneurship refers to the process of combining creative, innovative ideas and management skills with human and material resources towards the achievement of pre-determined goals (Nwachukwu, Oboada and Undutimi, 2014). It entails the exertion of effort using available factors of production with a view of getting a reward in the form of monetary gains or profit.

In a broad sense, an entrepreneur is one who uses his or her creativity and intuition to identify an opportunity in an existing business or a completely new endeavour in order to take advantage of the value inherent in exploiting the opportunity by investing his or her time and resources in it to make such a business his/her source of income. This was corroborated by Hirsch and Peters (2002) who perceive entrepreneurship as the process of initiating an idea or something of value investing tangible and intangible resources with a view to obtain the resultant monetary and personal satisfaction for his efforts. Thus, the entrepreneur is a risk taker who seeks to receive in terms of monetary gains for his effort because he or she takes personal risk for success and failure (Wheirich et al, 2008).

Entrepreneurial Intention

Entrepreneurial intention can be referred to as the state of mind which attracts an individual's interest and action towards his or her involvement in entrepreneurial activities. Entrepreneurship is not an involuntary activity. It is an activity which has antecedents and requires conscious efforts before its emergence. According to Ajzen (1991) attitudes, subjective norms and perceived behavioural control are the antecedents of intention. The Theory of Planned Behaviour (TPB) propounded by Ajzen is based on the assumption that many human behaviours are planned and are preceded by intention toward that behavior. Thus, it can be argued that a strong association exists between the entrepreneurial intention of an individual and his actual behavior (Pihie, 2009). Although Katz (1990) found intention to be a poor predictor of future behavior because of the

high influence of situational factors, entrepreneurship cannot emerge without an intention to be self employed as a career choice.

Entrepreneurship Education

Entrepreneurship education has been adopted as one of the strategies to combat graduate unemployment in Nigeria. This explains why National Universities Commission introduced a compulsory two-semester course on entrepreneurship for undergraduates in the country (NUC, 2004). The essence of entrepreneurship education is to expose graduates to the knowledge and competencies to start and operate their businesses successfully if they venture into business on graduation. Therefore, entrepreneurship education can be referred to as a planned imparting of entrepreneurial knowledge in a learner to enable him or her cope with the challenges associated with running a business at the end of the training (Ekpoh and Edet, 2011, Ogundele, Akingbade and Akinlabi, 2012). Research findings indicate that graduates with entrepreneurship exposure are more likely to start new businesses and have greater entrepreneurial intentions than other graduates (Ekubdayo and Babatunde, 2014; Idemobi, 2011). One of the assumption of entrepreneurship education is that entrepreneurship is a body of knowledge which can be transmitted to an individual through the educational system. However becoming an entrepreneur is a combination of many factors. Therefore, it is doubtful if entrepreneurship education alone can guarantee the emergence of an entrepreneur. This is buttressed by the fact that many graduates who were exposed to entrepreneurship education still remain unemployed years after graduation.

3.0 METHODOLOGY

3.1 Research Design

The survey research design was used for this study. This design was considered suitable because it permits the gathering of data from respondents through the use of samples and structural questionnaires.

3.2 Area of the Study

This study was conducted in the NYSC orientation camp at Umunya Anambra State. Anambra State is one of the five Ibo speaking states in South east Nigeria.

3.3 Nature of Sources of Data

In this research, primary and secondary sources of data were relied upon.

3.4 The Population of the Study

The population of the study was made up of the 3657 graduates of higher institutions of learning posted to Anambra for the National Youth Service Corps (NYSC) primary assignment during the 2017/2018 service year.

3.5 Sample size determination

A sample size of 361 was derived by using Taro Yamani's formula for sample size determination as follows:

3.6 Sample size and sampling technique

Determination of sample size

The sample size for this study was statistically determined using Taro Yamani's formula (as cited in Uzoagulu, 2011, p. 58) as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where N = Population

I = A constant

e = level of significance (5%)

Given that e=0.05 and N= 3657, then

$$n = \frac{3657}{1 + (3657 \times 0.0025)}$$

$$n = 3657/10.1425$$

$$n = 360.56$$

$$n = 361 \text{ approx}$$

The researcher administered 361 (three hundred and sixty one) by hand to the respondents at the NYSC orientation camp Umunya, Anambra State. The sample size of 361 respondents was considered adequate and sufficient for the study. Beside a 10% sample size from a known universe or population is normally considered adequate for research project (Basley and Clover, 1998).

3.7 Method of Data Collection.

A questionnaire was designed (See Appendix III) and copies distributed to the respondents by hand during the one month orientation camping to collect quantitative data on the relationship between the research variables. The questionnaire was divided into two sections- A and B . Section A comprised respondents 'demographic profile, section B features questions on the independent variables (creativity, risk taking, opportunity recognition and innovation skill) and the dependent variable (entrepreneurial intention). Five point Likert-scale questions ranging from strongly agree to strongly disagree were adopted (strongly agree = 5, agree=4, undecided=3, disagree= 2, strongly disagree=1) copies of the questionnaire were administered to respondents by hand to facilitate easy collection and return. A total of 36 copies were administered while 355 were returned and found useable.

4.0 PRESENTATION AND ANALYSIS OF DATA

4.1 Results

Table 1 below shows the response rate. Three hundred and sixty one (361) copies of the questionnaire were distributed to the respondents and 355 were returned. The response rate was 98.34%. Six (6) copies were found unusable because of the failure of the respondents to complete vital parts of the questionnaire. 355 questionnaires returned were found usable.

Table 2 below shows that 241 respondents were male while 114 were female. Table 3 shows the age characteristics of the respondents. Majority of the respondents were between 20 and 30 years of age while only 24 respondents representing 6% were above 31 years.

Table 1:
Response rate.

Questionnaire administered	Frequency	Percentage
Returned	355	98.34
Not Returned	6	1.66
Total	361	100

Source: Field survey, 2018.

Table 2:
Gender

characteristics	Frequency	Percentage
male	242	67.88
female	114	32.11
Total	355	100

Source: Field survey, 2018.

Table 3:
Age

characteristics	Frequency	Percentage
20-25	271	76.34
26-30	60	16.90
31 and above	24	0.06
Total	355	100

Source: Field survey, 2018

Table 4 below depicts the results of the four independent variables of the study. The scale mean for creativity is 4.06 with a standard deviation of 1.46. This indicates a high indication of creativity for the respondents. Risk taking has a mean of 4.15 and a standard deviation of 1.23. Opportunity recognition and innovation skill have means of 3.56 and 4.23 respectively.

Table 4:
Gender

	mean	Std. deviation
creativity	4.06	1.46
risk taking	4.15	1.23
opportunity recognition	3.56	1.36
Innovation skill	4.23	1.27

Source: Field survey, 2018

Table 5. Ordinary least square regression results creativity, risk taking, opportunity recognition and innovation skill (independent variables) and entrepreneurial intention (dependent variable).

5.0 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

Summary of Findings

The study revealed the following:

1. There is a positive relationship between creativity and entrepreneurial intention.
2. There is a significant relationship between risk taking attitude and entrepreneurial intention.
3. Opportunity recognition significantly influences entrepreneurial intention in Nigerian graduates.
4. There is a statistically significant relationship between innovation skill and entrepreneurial intention.

Conclusion

Unemployment in Nigeria has been increasing steadily over the years as evident in the upward trend of unemployment statistics. Although verifiable statistic is not available, graduate unemployment has been reported to be quite high without showing any sign of reversal. This puts a big question mark on the entrepreneurship education which graduates were exposed to while in the university. This research investigated the influence of entrepreneurial education on entrepreneurial intention and it was found that the four independent variables used as proxies for entrepreneurship education- creativity, risk taking, opportunity recognition and innovation skill influence entrepreneurial intention. This confirmed Ajzen's theory of planned behavior on which the research was anchored that entrepreneurship intention can be predicted using antecedent behavior.

Recommendations

Based on the findings of this research, a multi-prong approach should be adopted to stimulate entrepreneurial inclination in fresh graduates. In order to reinforce the entrepreneurship education graduates received in the university, the government should create more opportunity to enable graduates have access to startup capital to kick off their business ideas and become employers of labour. It is not enough to expose students to entrepreneurial education. Supportive roles should be played by the government by creating a conducive environment for fresh graduates to venture into entrepreneurship while family members should also encourage fresh graduates by providing moral and financial support to them. In other words solving graduate unemployment requires a collaborative effort of tertiary institutions, the graduates, the government and the society at large.

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